**New versus frequent donors: Exploring the behaviour of the most desirable donors**

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**ABSTRACT**

While there is no shortage of worthy recipients for prosocial behaviour, there is a constant battle to attract and keep donors. This research examines money and blood donor behaviour for two key desirable groups, new donors, to grow the donor base, and frequent donors to secure current support streams. We draw on records from a U.S. health related charity for over 1.2 million donors for a three-year timeframe; and records of all Australian blood donors (1.1 million) for a five-year timeframe. We show the law-like patterns that underpin brand growth in other markets also apply in the non-profit sector. The vast majority of new donors give once or twice a year and few give at higher frequency levels. The stability of the churn level across blood and money donations suggests a structural norm in behaviour over time rather than an outcome of marketing strategy. We discuss implications for resource allocation and marketing strategies.

**Keywords:** blood, charity, donation, marketing, loyalty metrics

**1. Introduction**

Most non-profit organisations rely on the support of individuals, without which they would reduce their services to the community or cease to exist. The scale of support given is illustrated by the $358 billion donated by individuals to charities in the United States (U.S.) in 2014, which equates to 2.1% of GDP; individuals provided 72% of income to the sector ([Lilly Family School of Philanthropy, 2015](#_ENREF_41)). Well over half (68%) of all Americans donated money to charity in 2013, and the U.S. is ranked 9th in the world with a 5-year participation level of 62% ([Charities Aid Foundation, 2014](#_ENREF_21)).

Australia, under the same definition has a similar donation rate, but participation rates increase when using a broader perspective of support. In 2004, 87% of adults reported donating $5.7 billion to organisations, and an additional $2 billion provided from raffle/lottery sales or participation in fundraising events, as well as the equivalent of $14.6 billion in volunteering hours ([Lyons, McGregor-Lowndes and O'Donoghue, 2006](#_ENREF_42)).

There are two basic ways for non-profits to increase revenue raised from individuals. The first is through increasing their market penetration, defined as the proportion of the population providing support to a non-profit organisation. This definition of market penetration is adapted from the traditional definition of the proportion of the population who buy an item at least once in the timeframe studied ([Ehrenberg, Uncles and Goodhardt, 2004](#_ENREF_28)). Another way to increase revenue is to get existing supporters to donate more frequently. The distribution of how often an individual donates can classify them as ‘light’ or ‘heavy’ based upon their frequency of support.

Consumer markets have been shown to comprise many ‘light’ individuals buying the brand once or twice in the timeframe studied and relatively few ‘heavy’ buyers. For instance, the U.S. brand Folger sells coffee and had an average annual purchase frequency of 3.2 times, with as many as half of the customer base purchasing just once and only 18% purchasing five or more times ([Ehrenberg, Uncles and Goodhardt, 2004](#_ENREF_28)). Using frequency levels to identify ‘light’ buyers (once-only for coffee) and ‘heavy’ buyers (five plus times for coffee) shows the potential to increase sales.

This paper examines the frequency levels of non-profit supporters to increase our understanding of the potential to increase support activities, specifically donating money or giving blood. Non-profit supporters not only vary their frequency of giving support but also vary in the amounts they contribute. Analysis of U.S. donations from over 980,000 online donors shows the correlation between an individual’s frequency of support and their annual contribution. Over 940,000 individuals donated 1-4 times a year with a median yearly amount of $50 compared to 19,800 individuals donating 5-9 times and a median yearly amount of $250 ([Myers, Stiffman and Giorgi, 2015](#_ENREF_46)). Hence, many non-profits focus on increasing loyalty in order to benefit from higher donations ([O'Reilly *et al.*, 2012](#_ENREF_47)).

However, research shows those giving once-a-year have a reduced level of responsiveness to requests for further support compared to supporters providing multiple-gifts each year ([Shen and Tsai, 2010](#_ENREF_56)). For example, an excessive volume of detail sent about a charity can lead to a negative attitude to further giving, and risks donor support switching to another organisation ([Bennett, 2009](#_ENREF_14)). Results suggest any further marketing efforts to donors regularly giving once-a-year will at best be wasted and at worst will reduce their propensity to provide any further support.

Solicitation plays a major role in charitable behaviour ([Bekkers and Wiepking, 2011](#_ENREF_13)). The fundraising sector is criticised for being too focused on wasteful acquisition, with even successful acquisition efforts plagued by the loss of half of the cash supporters between the first and second donation, double the annual attrition rates commonly shown for supporters regularly giving monthly donations ([Sargeant and Shang, 2011](#_ENREF_53)).

Hence, two groups are of particular interest in donor research to determine resource allocation: new donors and frequent donors. The classification of ‘frequent’ or ‘heavy’ donors is determined by looking at the distribution of how frequently support is given, i.e. classification is relative and will vary across different types of support behaviour. We explore how many new donors become frequent donors, and how the proportion of frequent donors varies when overall donations increase or decrease. The second group, frequent donors, is of particular interest to non-profits due to the volume of support they provide. We examine the stability of frequent support behaviour, by drawing on two multi-year databases, one from a health related charity in the U.S., the second from the Red Cross Blood donation service in Australia.

This research focuses on longitudinal patterns in actual donor behaviour to examine cohort patterns over time, rather than cross-sectionally. It deals with two very different types of donor behaviour, the giving of blood and money. Drawing on knowledge from examining longitudinal buying behaviour for repeat purchase products provides a framework for analysis. This approach allows us to treat donor behaviour as a differentiated extension to prior knowledge, and understand the degree to which consumer behaviour towards non-profits differs from behaviour towards commercial organisations. Taking a differentiated extension approach advances marketing theory ([Uncles and Wright, 2004](#_ENREF_61)).

The main contribution of this paper is to provide a different perspective to the relationship-view of marketing commonly applied to the non-profit sector to examine the role of loyalty in growing donor support. Building long-term relationships with donors is considered critical, with many non-profits capturing donor-level information to enable donor targeting and optimal allocation of organisational resources ([Khodakarami, Petersen and Venkatesan, 2015](#_ENREF_39)). Non-profits seeking to start, continue or increase support behaviour will impose costs on the individual with benefits going to others ([Andreasen, 2012](#_ENREF_2)). Differences from the commercial sector have led to the development of concepts considered unique to non-profit marketing (e.g. donor behaviour, volunteer behaviour) ([Wymer, 2013](#_ENREF_66)). However, a relationship-view of marketing can distract from what is required to grow support, as the focus can be on increasing the loyalty of existing supporters at the expense of growing the supporter base. Achieving brand growth through marketing activities aiming to increase loyalty to a greater degree than growing the number of supporters would result in a different pattern of behaviour to other markets, i.e. Double Jeopardy would not be evident.

Double Jeopardy is a well-established pattern in consumer markets that helps to set realistic marketing strategies. The pattern was first noticed by sociologist William McPhee ([1963](#_ENREF_43)) for radio presenters and comic strips, with less popular options suffering twice as fewer people knew of them and the people aware provided reduced liking scores compared to the scores given for better known radio presenters or comic strips. The Double Jeopardy pattern also exists in competitive markets, as smaller brands show lower loyalty metrics and have fewer users than their larger brand counterparts ([Ehrenberg, Goodhardt and Barwise, 1990](#_ENREF_27)). The Double Jeopardy pattern shows a large variation in the number of customers brands attract, but less variation is shown in their attitudinal or behavioural loyalty ([Ehrenberg, Uncles and Goodhardt, 2004](#_ENREF_28)).

If non-profit categories were to show similar Double Jeopardy patterns, this knowledge would provide a firm foundation for non-profit marketers to make decisions. From this perspective, the path to growth should focus on increasing the supporter base, as bigger brands will be those with more supporters. Confirmation of the Double Jeopardy pattern will require a paradigm shift in thinking for many non-profit marketers, such as ignoring the common recommendation to focus on retention rather than the attraction of new supporters ([Sargeant and Shang, 2011](#_ENREF_53)).

Other associated patterns have been found in consumer behaviour ([Ehrenberg, 1988](#_ENREF_25)), transforming practice and increasing the credibility of the marketing function ([Kennedy and McColl, 2012](#_ENREF_36)). Differentiated replications show law-like patterns exist in a wide range of markets and conditions ([Ehrenberg, Uncles and Goodhardt, 2004](#_ENREF_28)), including aviation fuel contracts ([Uncles and Ehrenberg, 1990](#_ENREF_60)) and gambling behaviour ([Lam and Mizerski, 2009](#_ENREF_40)). For example, consumers loyal to one brand tend to be infrequent category buyers and comprise a small proportion of any brand’s customer base, as they have limited opportunity to be disloyal ([Ehrenberg, 1988](#_ENREF_25); [Sharp, Wright and Goodhardt, 2002](#_ENREF_55)). Armed with such knowledge, brand managers would not favour customers buying only their brand over customers also buying from their competitors. Hence, being the second-choice brand in a supporter’s portfolio is better than not receiving any support ([Bennett, 2012](#_ENREF_15)). This suggests the normal practice is for most non-profits to share their supporters with other non-profit organisations. We propose law-like patterns shown in other markets will also apply to the non-profit context, i.e. the acquisition of new donors will be the most feasible pathway for brand growth.

**2. Giving Support**

Non-profit marketers face many of the same marketing challenges as commercial marketers. To maintain income, new donors are required in order to replace the large number of donors lapsing each year. For example, only 43% of 2012 supporters made repeat gifts in 2013 ([Association of Fundraising Professionals, 2014](#_ENREF_4)). This pattern occurs across the sector, as many first-time donors fail to give a second donation ([Bennett, 2009](#_ENREF_14)). U.S. charity records demonstrate the importance of new donors. For every 100 donors gained in 2012-13, there was a loss of 102 donors, and every $100 gained was offset by $92 in gift attrition ([Association of Fundraising Professionals, 2014](#_ENREF_4)). Acquiring new donors is becoming more difficult generally, with declines in new supporter acquisition explaining the overall reduction in U.S. supporter populations ([Rhine and Flannery, 2015](#_ENREF_51)). Re-activation of lapsed donors also offers low levels of success ([Feng, 2014](#_ENREF_29)). Globally, the percentage of younger people donating money has declined since 2012 ([Charities Aid Foundation, 2013](#_ENREF_20)), suggesting the challenge of acquiring and retaining new donors will be ongoing.

Securing a sustainable supply of blood products for medical procedures is an ongoing challenge, as advances in medical treatments and aging populations have increased the demand for blood products ([van Dongen *et al.*, 2014](#_ENREF_62); [Bagot *et al.*, 2015b](#_ENREF_12)). The incidence rate of voluntary donation remains low across populations, 3% in Australia, 5% in the US, and 4% on average in the EU ([Australian Red Cross, 2012](#_ENREF_6); [Bertalli *et al.*, 2011](#_ENREF_17); [Gonçalves, 2011](#_ENREF_33)). Blood donors comprise a unique and interesting group of volunteers, as they display a high degree of commitment to recipients they do not know ([Kessler, 1975](#_ENREF_38)). Blood donors might conceivably be more responsive to requests to donate with greater frequency, enabling blood agencies to retain very frequent donors with more success than in other markets. If donors commit to greater frequency of donation, it suggests a different route to growth from other markets, i.e. growth by loyalty rather than also needing to increase market penetration.

It is important to note the physical limitations in donating blood. This restricts the ability for individuals to increase how often they donate, with the maximum frequency of donation varying depending upon the type of blood given. The donation of blood can occur in three forms, with the two most common being whole blood and plasma. Whole blood is the most well known form and has a frequency ceiling of four or five times a year for health reasons ([Council of Europe, 2010](#_ENREF_22)). Plasma is the next most common form, derived from a plasmapheresis donation which can be made every 2-3 weeks ([Australian Red Cross Blood Service, 2014](#_ENREF_8)), making it a desirable form of donation for blood collection agencies ([Bagot *et al.*, 2014](#_ENREF_10)). Plasma donations require more donor commitment as extracting plasma takes a minimum of 45 minutes per donation compared with up to 15 minutes for whole blood ([Bagot *et al.*, 2013](#_ENREF_9)). Promotional materials for plasma donation continue to highlight the importance of frequency: ‘By giving time every few weeks, you can help us to improve the quality of life of many patients and their families’ ([Australian Red Cross Blood Service, 2011](#_ENREF_7))”.

Frequent blood donors are also attractive as they provide volume stability, reduce the risk of receiving infected blood, and reduce recruitment costs by having a regular pool of donors ([Allain, 2011](#_ENREF_1); [Wildman and Hollingsworth, 2009](#_ENREF_65); [Gogarty, 2007](#_ENREF_32); [Devine *et al.*, 2007](#_ENREF_23)). Given the difficulty of attracting donors, the best strategy might be to retain donors and increase their level of giving (loyalty) ([Burnett, 1981](#_ENREF_18)).

The aim is to build a large pool of people reliably donating, for example at a frequency of three or four times a year ([Tucker, 1987](#_ENREF_58)). Research has examined targeting current blood donors to make additional donations and to build in flexibility in the type of blood donation given ([Bagot *et al.*, 2015a](#_ENREF_11)). Increasing loyalty through provision of more frequent donations has also been examined for monetary donations. One non-profit healthcare organisation found donors giving funds multiple times evaluated their relationship more strongly than one-time supporters ([Waters, 2008](#_ENREF_64)).

Increasing loyalty fits with a much cited research programme ([Reichheld and Sasser, 1990](#_ENREF_49); [Reichheld and Teal, 1996](#_ENREF_50)), claiming a 5% increase in customer retention significantly improves profitability due to increased tenure and referrals. The logic has been transferred to the non-profit sector, suggesting a loyal donor base also makes good economic sense when applied to both charity ([Merchant, Ford and Sargeant, 2010](#_ENREF_44)) and blood donations ([Gogarty, 2007](#_ENREF_32)). Reichheld’s claims were not empirical, but deductive, based on a reduction in defection from 15% to 10%. The reduction is not a (small) 5% reduction, but a (substantive, and rarely achieved) 33% reduction (5/15) in the number of customers defecting ([Sharp, 2010](#_ENREF_54)). Empirical results call into question the feasibility of the strategy to achieve the promulgated economic payoffs ([Uncles, East and Lomax, 2013](#_ENREF_59)). Defection often occurs due to factors outside the brand’s control, and longer-tenure customers rarely bought more than shorter-tenure customers ([East, Hammond and Gendall, 2006](#_ENREF_24)).

In the non-profit sector, defections are also often outside the control of marketers. For instance, the reasons why people cannot continue to give blood include pregnancy, travelling to suspect areas, or contracting diseases. Therefore, blood collection agencies require an influx of new donors each year. Given the current very low proportion of blood donors, there is a large opportunity to increase penetration.

Hence, it is important to understand the behaviour of both new and frequent donors.

To better understand how to attract donors, prior research has explored motivations to give blood. These include gaining a ‘warm glow’, or in response to incentives based on reciprocity and reinforcement of social norms ([Wildman and Hollingsworth, 2009](#_ENREF_65); [Germain *et al.*, 2007](#_ENREF_30)). Psychological barriers associated with first-time donations include fear of the process, inconvenience, physical reaction after donating, and fear of contracting HIV ([Thomson *et al.*, 1998](#_ENREF_57)). However, merely overcoming these barriers does not guarantee a new donor will become a regular donor or has the potential to give very frequently each year. Consideration of research streams in consumer goods markets and the non-profit sector leads to the following hypotheses:

*H1: Most supporters will give their support once or twice a year*

*H2: New donors will show higher levels of once-only donations, and reduced levels of support at very frequent levels*

*H3: Infrequent donors comprise the greatest proportion of donor bases regardless of whether donor bases grow or decline*

**3. The Contribution and Reliability of the Very Frequent**

Frequent purchase of a brand is generally considered a positive metric. When it comes to packaged goods sales, a consumer buying multiple times is, logically, more valuable than someone buying only once. However individual contribution is not the same as segment contribution, where the size of the segment group matters. A small group of very frequent buyers may contribute less than a larger group of once-only buyers, simply due to the large number of people in the less frequent segment ([Anschuetz, 1997](#_ENREF_3)).

Further, frequent buying in one year may not lead to frequent buying in subsequent years. An analysis across repeat-purchase packaged goods (Romaniuk and Wight, ([2015](#_ENREF_52)) found only around 50% of a brand’s frequent buyers in one year remain frequent buyers in the following year. Consumers may display behavioural loyalty for a period of time purely due the situational convenience of acting habitually ([Quester and Lim, 2003](#_ENREF_48)), and so when the drivers of situational convenience change, such as moving the brand to a different shelf, so does the behaviour. The disruption to habitual behaviour occurring could explain the lack of stability of ‘buying frequency’ in categories such as toothpaste or soup, where there is little involvement or commitment to brands. In contrast, because of the emotional benefits gained from donating, frequent donors may develop stronger relationships with the organisations they support ([Merchant, Ford and Rose, 2011](#_ENREF_45); [Kaplan-Polivy, 2013](#_ENREF_35)). Non-profits can execute a negative-positive sequence, where they evoke sadness or guilt in an individual and then remedy this by presenting an opportunity to offer support ([Bennett, 2015](#_ENREF_16)). The emotional ‘warm glow’ benefit or increased happiness ([Chang, 2014](#_ENREF_19)) from giving frequently could result in greater commitment by frequent donors and therefore greater stability over time. We suggest patterns may differ to other markets:

*H4: Very frequent non-profit donors will show greater cohort stability than buyers of consumer packaged goods*

**4. Material and Methods**

The raw data on monetary donations was provided by the Direct Marketing Education Foundation (DMEF), providing access for research purposes to a dataset from a U.S. health related organisation dating from 2007-2010. The data set comprises records of over 1.2 million donors, of which just over 850,000 had the opportunity to donate in all three years. The data set contains a unique donor ID along with gift date, gift amount, appeal description and appeal type. The data set was restructured to show the number of donations made each financial year by each donor, along with donation amounts[[1]](#footnote-1).

The Australian Red Cross Blood Service provided a database of all blood donations in the country, with over 1.1 million individual blood donors in Australia for a five-calendar-year time frame (2007-2011). The scope covers whole blood and plasma donations, with all individuals donating at least once in five years and some choosing to donate multiple ‘products’ in the same year, which yields totals greater than 100%.

Comparison with ABS records for 2011 shows 7% of the eligible 15.9 million Australians (those aged between 16-70 years) donated blood within the 5-year timeframe studied ([Australian Bureau of Statistics, 2011](#_ENREF_5)). The profile of blood donors is in line with the general Australian population: 52% female, 48% male, 21% for 25 years or under, 20% for 26-35, 17% for 36-45, 20% for 46-55, 21% for 56-70 years.

The blood donor data set was restructured to indicate the number of times individual donors provided whole blood or plasma donations in each calendar year. Descriptive statistics for both data sets report the proportion of individuals in the donor base engaging in the behaviour of interest. The frequency of donations for the 12-month period following becoming a new donor was also extracted.

‘Frequent’ donors are classified as individuals donating three times a year or more for whole blood and monetary donors and eight times a year or more for plasma donors. The date of donation field along with donor ID identified new donors for each year.

**5. Results**

To examine the behaviour of new monetary donors, we computed the frequency of donation in the initial year, and compared the frequency of donation for new donors to the frequency for all donors. Given the very large sample sizes statistical significance testing is redundant. However we do assess consistency of patterns, where possible, across multiple years and data sets to confirm the robustness of any conclusions that are drawn ([Kennedy, Scriven and Nenycz-Thiel, 2014](#_ENREF_37)).

The results show that most new charity donors only donate once, supporting our first hypothesis (Table 1). Hypothesis two is also supported, as the new donor cohort comprises more once-only donors than the total database (95% versus around 75%) and fewer 3+ donors (1% versus 10%). Examining new supporters shows that 95% give once, the proportion giving once reduces to 88% for donors that gave in the first half of the year and had more opportunity to give again that year. The result means the high number of once-only donors is not an artifact of opportunity. Also evident is the consistency in the frequency distribution for the total database each year. There are lower proportions in all other frequency categories to compensate for this excess in once-only donors.

**Table 1**

**Monetary donation, Total and New donor frequency distributions**

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **Total** | 1 | 2 | 3+ | Total |
| **New supporters%** |  |  |  |  |
| **2009/10** (n=94,738) | 95 | 4 | 1 | 100 |
| **All Supporters %** |  |  |  |  |
| **2007/08** (n=647,827) | 73 | 17 | 10 | 100 |
| **2008/09** (n=640,256) | 74 | 16 | 9 | 100 |
| **2009/10** (n=626,907) | 75 | 16 | 9 | 100 |

Turning to blood donations, we again see support for our first hypothesis as the majority of all donors donate just once, with two-thirds donating once or twice a year and results are consistent across all years. Overall we would expect just under half to donate just once in the year. Hypothesis two also holds for donating whole blood, with higher proportions of once-only donors and fewer donating three times or more (average 29%). Results suggest that new donors are unlikely to go from ‘zero to hero’, and immediately become frequent donors of blood. Table 2 demonstrates remarkable consistency in the distributions over the years, suggesting these patterns are impervious to specific campaigns or initiatives.

**Table 2**

**Whole Blood, Total and New donor frequency distributions**

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **Total** | 1 | 2 | 3+ | Total |
| **2007 %** |  |  |  |  |
| **New Donors** (n=126,214) | 47 | 25 | 28 | 100 |
| **Existing Donors** (n=335,567) | 41 | 26 | 33 | 100 |
| **2008 %** |  |  |  |  |
| **New Donors** (n=126,928) | 46 | 25 | 29 | 100 |
| **Existing Donors** (n=347,050) | 41 | 26 | 32 | 100 |
| **2009 %** |  |  |  |  |
| **New Donors** (n=140,447) | 45 | 25 | 29 | 100 |
| **Existing Donors** (n=358,937) | 42 | 26 | 32 | 100 |
| **2010 %** |  |  |  |  |
| **New Donors** (n=114,538) | 43 | 27 | 30 | 100 |
| **Existing Donors** (n=364,706) | 41 | 27 | 32 | 100 |
| **2011 %** |  |  |  |  |
| **New Donors** (n=123,184) | 45 | 27 | 28 | 100 |
| **Existing Donors** (n=361,115) | 43 | 27 | 30 | 100 |

**Table 3**

**Plasma Donors, Total and New Donor frequency distribution**

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
| **Total** | 1 | 2 | 3 | 4-7 | 8+ | Total |
| **2007 %** |  |  |  |  |  |  |
| **New Donors** (n=37,002) | 31 | 17 | 10 | 21 | 22 | 100 |
| **Existing Donors** (n=31,936) | 25 | 16 | 10 | 23 | 25 | 100 |
| **2008 %** |  |  |  |  |  |  |
| **New Donors** (n=42,154) | 31 | 16 | 10 | 21 | 22 | 100 |
| **Existing Donors** (n=37,022) | 26 | 16 | 11 | 22 | 24 | 100 |
| **2009 %** |  |  |  |  |  |  |
| **New Donors** (n=53,541) | 33 | 18 | 11 | 20 | 18 | 100 |
| **Existing Donors** (n=46,515) | 28 | 18 | 11 | 22 | 21 | 100 |
| **2010 %** |  |  |  |  |  |  |
| **New Donors** (n=62,252) | 32 | 18 | 11 | 21 | 18 | 100 |
| **Existing Donors** (n=54,523) | 28 | 18 | 12 | 23 | 21 | 100 |
| **2011 %** |  |  |  |  |  |  |
| **New Donors** (n=71,871) | 34 | 17 | 11 | 20 | 17 | 100 |
| **Existing Donors** (n=63,641) | 30 | 17 | 12 | 22 | 19 | 100 |

Finally, in Table 3 we examine plasma donors, where there are a higher number of possible donations. As with whole blood, just under a half of donors provide plasma once or twice a year, strengthening support for the first hypothesis. We find the most common frequency for new plasma donors is again once for about a third of new donors (32%), which is consistent across the five years, and compares to a little over a quarter (27%) of existing plasma donors donating once in 12 months. New donors are also slightly less likely to be 8+ times donors (19% versus 22%). Results support hypothesis two and confirm that the vast majority of new plasma donors are not frequent donors. We also see that over the five years the proportion of existing donors giving plasma eight times or more a year has declined from around one in four to one in five, whereas the number of plasma donors has doubled.

The pattern of frequency distribution for all years and blood products is the reverse ‘J’ shaped pattern observed in packaged consumer goods: as the frequency of donations increase, the number of donors (dramatically) decreases ([Ehrenberg, 2000](#_ENREF_26)).

To investigate whether the patterns are consistent when the overall volume of donation changes (H3), we investigated the patterns and distributions that accompany overall changes in donation levels. There is consistency, despite movement in the total size of the donor base. The total number of charity donors decreased by 3% over the three-year period, 1% in 2008-2009 and 2% in 2009-2010. The total sum donated also declined (4% over the three-year period, with 2008-2009 showing a decline of 4.7% in revenue, with a slight recovery in 2009-2010). The 4% decline translates into a reduction of $1.3 million in revenue for the charity, fewer supporters that show reduced loyalty in terms of the mean amount donated. The decline reflects the period known as the Global Financial Crisis (GFC), where steep declines were recorded in giving by individuals in 2008 and in 2009 before the first signs of a recovery in giving to charity in 2010 ([Giving USA Foundation, 2011](#_ENREF_31)).

Results show that despite a decline in the donor base and amounts given there is consistency in the pattern. The distribution of many infrequent donors, the recruitment of predominantly infrequent donors, and the instability of frequent supporters all remained consistent. In another example, the number of plasma donations grew dramatically, increasing by 75% over the five-year period from 8% in 2007 to 14% in 2011. Two thirds of the increase in plasma donations is offset by a reduction in whole blood donations. Increased demand for plasma lead to recruitment of plasma donors from the whole blood donor base ([Bagot *et al.*, 2013](#_ENREF_9)). Results show consistent patterns, regardless of whether the donor base grows or declines; infrequent donors comprise the largest proportion of donor bases supporting H3.

To examine the stability of more frequent donors over time (H4), we identified more frequent donors in one year (3+ for money and whole blood, 8+ for plasma), and then identified the proportion of the sub-group that continued to donate at the same level in the next year. For example the first column of Table 4 reveals that 8% donated money 3+ times in 2007-2008 year and (of that 8%), 37% continued to donate 3+ times in the subsequent year.

That means 63% donated less frequently (twice, once or not at all). Overall, we see that frequent donors are not consistent in their behaviour year-on-year. The results show 37% stability for money, 51% stability for blood and 62% stability for plasma with very little variation across the years. Hypothesis four is not supported for donors of money or blood as greater instability is shown for the cohort of monetary donors and whole blood donor stability is around the same as buyers of consumer packaged goods.

Table 4 shows that plasma donors display greater stability of frequent donors and Table 3 shows that the proportion of once-only donors is lowest for existing plasma donors (27%), compared with 42% for existing whole blood donors (Table 2).

Australian plasma donors are recruited from whole blood donors, i.e. they are already qualified blood donors that have agreed to undertake a more complex form of blood donation ([Bagot *et al.*, 2015a](#_ENREF_11)). The process is the same for plasma donors in the Netherlands where research shows that motivational differences between plasma and whole blood donors existed prior to giving any form of blood. Plasma donors showed greater levels of self-efficacy, less anxiety towards donating blood and higher levels of conscientiousness ([Veldhuizen and van Dongen, 2013](#_ENREF_63)). The greater stability of frequent plasma donors compared to whole blood donors suggests that the Blood Service has developed skills to identify high-retention donors when inviting donors to join the plasma blood panel.

Table 4: Cohort stability of charity, whole blood and plasma donors

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
|  | **Money**  **3+ times supporters** | | **Whole blood**  **3+ times donors** | | **Plasma**  **8+ times donors** | |
|  | **Donors in T1 %** | **T1 that remain at T2 %** | **Donors in T1 %** | **T1 that remain at T2 %** | **Donors in T1 %** | **T1 that remain at T2 %** |
| 2007-2008 | 8 | 37 | 32 | 50 | 23 | 61 |
| 2008-2009 | 6 | 38 | 33 | 52 | 24 | 63 |
| 2009-2010 | NA | NA | 34 | 52 | 22 | 62 |
| 2010-2011 | NA | NA | 35 | 50 | 23 | 63 |
| **Average** | **7** | **37** | **34** | **51** | **23** | **62** |

**NA = Not available, 2007 = 2007/08 and 2008 = 2008-09 for monetary donations**

The high attrition of frequent donors led to the exploration of their subsequent donation behaviour. In 2008-2009, 23% of supporters gave no donation after being 3+ supporters in 2007-2008. Of the 2007-2008 supporters, 3% returned to being 3+ supporters in 2009-2010, 22% gave once or twice, but 75% did not give any money to the charity two years after being classified as frequent supporters.

Analysis was repeated for 3+ whole blood donors. Of those making 3+ donations in 2007, 15% made no donations in 2008 and 14% of the 2008 3+ donors made no donation in 2009. The analysis revealed that, once individuals ceased being frequent donors fewer than 10% subsequently return to frequent whole blood donor status in subsequent years, and around 20% of whole blood frequent donors become infrequent donors, (meaning over 70% of frequent donors are lost). A minority of whole blood donors (around 10%) converted to donating plasma or platelets, but the majority of frequent donors ceased to donate any form of blood.

**7. Discussion and Implications**

This article examines longitudinal patterns in charity support and blood donation behaviour, with a particular focus on two important groups: new donors and frequent (3+ times in one year) donors. Our analysis encompassed two blood products (whole blood and plasma) for the Australian Red Cross Blood Service, and monetary donations to a health charity in the United States.

Overall, results indicate that law-like patterns identified in packaged goods markets also apply to non-profit markets, providing confidence in extending their use for setting strategies for growth. Results for money and blood donations support H1, H2 & H4. H3 was not supported. The key findings and their implications now follow:

*New donors*

The majority of new donors donate once-a-year. New donors follow a similar pattern to the normal supporter base (supporting H1), but the distribution is even more skewed towards this infrequent donation rate, (supporting H2). Over time, some once-only new donors become more frequent donors, but the majority remain once-only donors. This pattern is consistent across years and also mimics results from repeat purchases in consumer markets ([Ehrenberg, 2000](#_ENREF_26)). Once-only donors comprise the largest group, regardless of market growth or decline (H3).

One important insight is that non-profits should not deter donors by making them feel guilty when they do not donate on a frequent basis. Making people feel good about what they do contribute, and encouraging that once-a-year behaviour, is important for maintaining the donor base. Given the infrequency of behaviour, habits are not established, which makes it easy for donors to forget to make a donation. This suggests it would be useful to design marketing tactics to remind and support infrequent donation behaviour. For example, if most donors only give support once-a-year, tying donation behaviour to an annual event, such as a birthday or anniversary may help both remind and encourage even infrequent donation behaviour.

Given that donation occasions are sporadic, it might be that a large proportion of observed frequent blood donation is just fortunate timing - the request to donate comes at a time when it is opportune for donors to act. Hence, the large numbers of non-donors in a 12-month timeframe may be due to circumstance rather than a lack of desire or motivation, or due to not being asked. Modifying the reminder schedule may help build donations from the very infrequent donors. For example a ‘remind me in a month’ option might help those who are too busy, on holiday, have an unexpected bill to pay (for monetary donations), or are not feeling well (for blood donations) to donate in the future.

Using positive framing on the benefits of donating is suggested, rather than a focus on anticipated guilt from not donating ([Griffin, Grace and O'Cass, 2014](#_ENREF_34)). Experimental studies comparing appeals framed egoistically, e.g. ‘giving makes you happy’ to appeals framed altruistically, e.g. ‘help others to lead a happier life’, show no difference in the proportion donating but show higher amounts are donated when reminding the person that giving makes them happy ([Chang, 2014](#_ENREF_19)).

A useful direction for future research is testing the effectiveness of a variety of campaign styles, including the comparison of guilt with more positively framed communication and appeals reminding donors of the ‘warm glow’ benefit compared to donating to benefit others.

To plan for the future, we need to accept the reality of the normal longitudinal behaviour of frequent donors. More frequent donors are ‘unreliable’, with around 40% to 60% instability in year-on-year repeat donations. This finding is consistent with evidence from packaged goods ([Romaniuk and Wight, 2015](#_ENREF_52)). Results suggest it might just be a normal human characteristic that we often fail to sustain highly frequent behaviour. Further, we see little evidence that frequent donors come back. Once lost, they seem lost at least over the next few years. This means that evaluating frequent donor retention strategies needs to take into account the normal loss of frequent donors when assessing the success of such retention activities.

An area for future research is to understand the reasons that plasma donors show higher retention rates than very frequent whole blood or monetary donors. Findings are consistent with prior results where plasma donors express higher intentions to give a second donation ([Bagot *et al.*, 2015b](#_ENREF_12)). Extensive data is captured for every whole blood donation that enables pre-qualification. This may explain the higher stability, combined with an extended donation process where staff have an opportunity to gauge whether donors are open to considering making an alternative form of blood donation and can tailor messaging to assist conversion and retention of plasma donors ([Bagot *et al.*, 2015b](#_ENREF_12)).

**Conflict of interest**

The authors declare that they have no conflicts of interest relevant to the manuscript submitted to the **Australasian Marketing Journal.**

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1. Major donors, individuals giving $10,000 or more in any year are excluded from the data set (n=279), as these are likely to be managed on an individual relationship basis rather than via general marketing efforts. The excluded group contributed 18% of the total donated to the U.S. health charity. [↑](#footnote-ref-1)